

BALANCE SHEET AS AT 31ST MARCH 2003

		Rs. million	
	SCHEDULE NO.	31.3.2003	31.3.2002
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Capital	1	78,125	78,125
Reserves and surplus	2	237,002	208,400
		315,127	286,525
DEFERRED REVENUE ON ACCOUNT OF ADVANCE AGAINST DEPRECIATION	3	271	-
LOAN FUNDS			
Secured loans	4	41,226	16,455
Unsecured loans	5	90,931	99,357
		132,157	115,812
DEFERRED TAX LIABILITY (NET)		44,379	-
Less: Recoverable		44,378	-
		1	-
TOTAL		447,556	402,337
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	6	366,106	328,912
Less: Depreciation		167,456	152,131
Net Block		198,650	176,781
Capital Work-in-Progress	7	51,543	52,038
Construction stores and advances	8	12,320	13,512
		262,513	242,331
INVESTMENTS	9	36,674	40,281
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	10	17,712	20,176
Sundry debtors	11	124,349	115,328
Cash and bank balances	12	5,447	12,048
Other current assets	13	25,142	5,511
Loans and advances	14	21,482	14,736
		194,132	167,799
LESS: CURRENT LIABILITIES AND PROVISIONS			
Liabilities	15	34,202	31,881
Provisions	16	11,648	16,265
		45,850	48,146
Net current assets		148,282	119,653
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)			
	17	87	72
TOTAL		447,556	402,337
Contingent liabilities	18		
Notes on accounts	28		

Schedules 1 to 28 and accounting policies form integral part of accounts.

(A. K. BAJPAIE)
Company Secretary

(P. NARASIMHARAMULU)
Director (Finance)

(C. P. JAIN)
Chairman & Managing Director

As per our report of even date

For K. K. SONI & CO.
Chartered Accountants

For S.K. MITTAL & CO.
Chartered Accountants

For LAKSHMINIWAS & JAIN
Chartered Accountants

(K. K. SONI)
Partner

(S.K. MITTAL)
Partner

(LAXMINIWAS SHARMA)
Partner

For VARDHAMAN & CO.
Chartered Accountants

For B. C. JAIN & CO
Chartered Accountants

(V. BASKARAN)
Partner

(B.C. JAIN)
Partner

Place : New Delhi
Dated : 16th July 2003

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2003

	SCHEDULE NO.	Current Year	Rs. million Previous Year
INCOME			
Sales	19	190,475	178,153
Provisions written back	20	3,988	107
Other income	21	4,036	6,725
Total		198,499	184,985
EXPENDITURE			
Fuel		110,312	103,991
Employees' remuneration and benefits	22	8,213	8,036
Generation, Administration & other expenses	23	10,869	11,640
Depreciation		15,291	13,784
Provisions	24	5,555	1,836
Interest and finance charges	25	9,916	8,677
Total		160,156	147,964
Profit before Tax, Prior Period Adjustments and Extraordinary items			
Prior Period income/ expenditure (net)	26	803	1
Extraordinary item - Capital Receipt		-	501
Profit before tax		37,540	37,521
Provision for current tax		11,255	10,299
Less: Income Tax recoverable		9,791	8,174
		1,464	2,125
Profit after current tax		36,076	35,396
Provision for Deferred tax		3,545	-
Less: Deferred tax recoverable		3,544	-
		1	-
Profit after tax		36,075	35,396
Balance brought forward		1,496	2,808
Write back from Bonds Redemption Reserve		-	1,250
<i>Balance available for appropriation</i>		37,571	39,454
Transfer to Bonds Redemption Reserve		1,815	373
Transfer to Foreign Project Reserve		*	-
* Rs. 81,229/-			
Transfer to Capital Reserve		100	506
Transfer to General Reserve		27,500	30,000
Interim Dividend		4,000	-
Proposed dividend		3,080	7,079
Tax on proposed dividend		395	-
Balance carried to Balance Sheet		681	1,496
Incidental expenditure during construction	27		

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Place : New Delhi
Dated: 16th July 2003

Schedule 1 CAPITAL

	31.3.2003	Rs. million 31.3.2002
AUTHORISED		
10,000,000,000 equity shares of Rs 10/- each (Previous year 80,000,000 equity shares of Rs. 1,000/- each)	100,000	80,000
ISSUED, SUBSCRIBED AND PAID-UP		
7,812,549,400 equity shares of Rs 10/- each (Previous year 78,125,494 equity shares of Rs. 1,000/- each) fully paid up	78,125	78,125

Schedule 2 RESERVES AND SURPLUS

Capital Reserve		
As per last Balance Sheet	1,127	620
Add: Additions during the year	102	507
	1,229	1,127
Bonds Redemption Reserve		
As per last Balance Sheet	773	1,650
Add: Transfer from Profit and Loss Account	1,815	373
Less : Write back during the year	-	1,250
	2,588	773
General Reserve		
As per last Balance Sheet	205,000	175,000
Add: Transfer from Profit and Loss Account	27,500	30,000
Less: Deferred tax adjustment	*	-
* Rs.4,00,000/-	232,500	205,000
Foreign Project Reserve		
As per last Balance Sheet	4	4
Add: Transfer from Profit and Loss Account	#	-
# Rs.81,229/-	4	4
Surplus, balance in Profit & Loss Account	681	1,496
Total	237,002	208,400

Schedule 3 DEFERRED REVENUE - ON ACCOUNT OF ADVANCE AGAINST DEPRECIATION

Revenue deferred during the year	271	-
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Schedule 4
SECURED LOANS

	31.3.2003	Rs. million 31.3.2002
Bonds		
10.5% (Tax Free) Secured Non-Cumulative Bonds of Rs1,000/- each redeemable at par on 24th March, 2004 (Eleventh Issue - Private Placement) * ¹	1,000	1,000
10% Secured Non-Convertible Taxable Bonds of Rs10,00,000/- each with five equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par at the end of the 6th, 7th, 8th, 9th and 10th year respectively from 5th September, 2001 (Twelfth Issue - Private Placement) * ²	5,000	-
9.55% Secured Non-Convertible Non-Cumulative Taxable Redeemable bonds of Rs10,00,000/- each redeemable at par in ten equal annual instalments commencing from the end of 6th year and upto the end of 15th year from 18th April, 2002 (Thirteenth Issue -Part A - Private Placement) * ³	7,500	-
9.55% Secured Non-Convertible Non-Cumulative Taxable Redeemable bonds of Rs10,00,000/- each with ten equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par at the end of 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th and 15th year respectively from 30th April, 2002 (Thirteenth Issue - Part B - Private Placement) * ³	7,500	-
8.05% Secured Non-Cumulative Non-Convertible Redeemable Taxable bonds of Rs10,00,000/- each with two equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par at the end of 4th and 5th year respectively from 1st August, 2002 (Fourteenth issue - Private Placement) * ⁴	5,000	-
Loans and Advances from Banks		
Foreign Currency Term Loans (Guaranteed by Government of India) (Due for repayment within one year Rs.1,575 million, Previous year Rs. 1,333 million)* ⁵	15,223	15,455
Other Loans and Advances		
Assets taken on lease (Due for repayment within one year Rs.1 million)	3	-
TOTAL	41,226	16,455

Note:

1. Secured by equitable mortgage / hypothecation of all the present and future fixed assets and movable assets of Korba Super Thermal Power Station as first charge ranking pari passu with charge already created, subject to, however, company's bankers first charge on certain movable assets hypothecated to them for working capital requirement.
2. Secured by (I) English mortgage of the office premises of the company at Mumbai (II) Hypothecation of all the present and future movable assets of Singrauli Super Thermal Power Station as first charge, ranking pari-passu with charge already created, subject to, however, company's bankers' first charge on certain movable assets hypothecated to them for working capital requirement (III) Equitable Mortgage by deposit of title deeds of the immovable properties pertaining to Singrauli Super Thermal Power Station(secured during the year, shown as unsecured loan in previous year)
3. Secured by (I) English mortgage of the office premises of the Company at Mumbai, (II) hypothecation of all present and future movable assets of Singrauli Super Thermal Power Station and National Capital Power Station as first charge, ranking pari-passu with charge already created, subject to, however, company's bankers' first charge on certain movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
4. Secured by (I) English mortgage of the office premises of the Company at Mumbai, (II) hypothecation of all present and future movable assets of National Capital Power Station, Feroze Gandhi Unchahar Thermal Power Station and Dadri gas power station as first charge, ranking pari-passu with charge already created, subject to, however, company's bankers' first charge on certain movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
5. Secured by Equitable mortgage/hypothecation of all the present and future fixed and movable assets of Rihand Super Thermal Power Station as first charge, ranking pari-passu with charge already created, subject to, however, company's bankers first charge on certain movable assets hypothecated to them for working capital requirement.

Schedule 5
UNSECURED LOANS

	Rs. million	
	31.3.2003	31.3.2002
Fixed Deposits (Due for repayment within one year Rs.390 million , Previous year Rs. 1231 million)	5,067	2,651
Bonds		
10% Secured Non-Convertible Taxable Bonds of Rs10,00,000/- each with five equal Separately Transferable Redeemable Principal Parts (STRPP) redeemable at par at the end of the 6th, 7th, 8th, 9th and 10th year respectively from 5th September, 2001 (Twelfth Issue - Private Placement)	-	5,000
15% Secured Non-Cumulative, Non-Convertible, Redeemable, Taxable Bonds of Rs1,00,000/- each redeemable at par in two equal instalments on 31st March 2005 and 31st March 2006 with put and call option on or after 31st March 2004 (Fifteenth Issue (Part B) - Private Placement)*	403	-
13.6% Secured Non-Cumulative, Non-Convertible, Redeemable, Taxable Bonds of Rs1,00,000/- each redeemable at par in three annual instalments of 30%, 30% and 40% commencing from 28th September 2004 (Fifteenth Issue (Part C) - Private Placement)*	110	-
Other Loans and Advances		
From Banks and Financial Institutions		
Foreign Currency Term Loans(Guaranteed by Government of India, Due for repayment within one year Rs.1,156 million , Previous year Rs. 961 million)	24,531	20,173
Other Foreign Currency Term Loans (Due for repayment within one year Rs.7,314 million , Previous year Rs. 7,409 million)	16,146	22,531
Rupee Term Loans (Due for repayment within one year Rs.2,171 million , Previous year Rs.318 million)	43,232	27,059
From others		
Loans from Government of India (Due for repayment within one year Rs.458 million , Previous year Rs.2,949 million)	1,442	21,943
TOTAL	90,931	99,357

* To be secured by registered and/or equitable mortgage(s) by deposit of certain title deeds of immovable properties and hypothecation of movable properties

Schedule 6
FIXED ASSETS

Rs. million

	Gross Block			As at 31.03.2003	Depreciation				Net Block	
	As at 1.04.2002	Additions	Deductions/ Adjustments		As at 1.04.2002	at For the year	Deductions/ Adjustments	Upto 31.03.2003	31.3.2003	31.3.2002
Land :										
(including development)										
Freehold	6,530	1,872	356	8,046	-	-	-	-	8,046	6,530
Leasehold	1,070	117	(148)	1,335	181	32	(8)	221	1,114	889
Roads, bridges, culverts & helipads	2,618	282	40	2,860	432	50	7	475	2,385	2,186
Building :										
Main plant	12,973	1,660	11	14,622	6,483	492	-	6,975	7,647	6,490
Others	12,915	1,029	195	13,749	2,742	297	22	3,017	10,732	10,173
Temporary erection	142	9	6	145	85	11	4	92	53	57
Water supply, drainage & sewerage	3,810	908	6	4,712	650	73	(6)	729	3,983	3,160
MGR track and signalling system	5,836	59	(11)	5,906	3,447	236	-	3,683	2,223	2,389
Railway Siding	1,491	769	80	2,180	303	35	-	338	1,842	1,188
Earth Dam Reservoir	513	877	(1)	1,391	94	18	-	112	1,279	419
Plant and machinery	273,329	25,948	(3,193)	302,470	133,023	13,489	(114)	146,626	155,844	140,306
Furniture, fixtures & other office equipment	2,527	195	18	2,704	1,548	99	(1)	1,648	1,056	979
EDP, WP machines and SATCOM equipments	1,681	166	25	1,822	1,077	231	21	1,287	535	604
Vehicles including speedboats	110	4	8	106	86	4	7	83	23	24
Construction Equipment	762	17	63	716	513	40	59	494	222	249
Electrical Installations	1,335	258	27	1,566	689	66	6	749	817	646
Communication Equipments	512	49	27	534	272	18	6	284	250	240
Hospital Equipments	157	8	1	164	92	12	1	103	61	65
Laboratory and workshop equipments	136	3	32	107	106	5	27	84	23	30
Leased assets - Vehicles	-	3	-	3	-	-	-	-	3	-
Capital expenditure on assets not owned by the company	459	477	-	936	308	148	-	456	480	151
Unserviceable/Obsolete assets at net book value or net realisable value whichever is less	6	-	(26)	32	-	-	-	-	32	6
Assets of Government	26	-	-	26	-	-	-	-	26	26
Less : Grants from Government	26	-	-	26	-	-	-	-	26	26
Total	328,912	34,710	(2,484)	366,106	152,131	15,356	31	167,456	198,650	176,781
Previous year	323,074	4,689	(1,149)	328,912	138,416	13,833	118	152,131	176,781	184,658

Deduction/Adjustments from Gross Block includes

	Current Year	Previous Year
Disposal/Retirement of assets	409	131
Cost adjustments	(1,158)	(849)
Assets capitalised with retrospective effect/Write back of excess capitalisation	(603)	(86)
Depreciation on construction equipment capitalised as IEDC	2	-
Others	(1,134)	(345)

	Rs. million	
	Current Year	Previous Year
Deduction/Adjustments from Depreciation includes		
Disposal/Retirement of assets	275	94
Assets capitalised with retrospective effect / Write back of excess capitalisation	(271)	22
Depreciation on construction equipment capitalised as IEDC	2	-
Others	25	2
Depreciation for the year is allocated as given below :		
Charged to Profit & Loss account	15,291	13,784
Transferred to Incidental Expenditure during Construction (Schedule 27)	65	49
	<u>15,356</u>	<u>13,833</u>
Plant and Machinery costing Rs. 5000/- or less and such items with written down value upto Rs. 5,000/- at the beginning of the year written off through fixed asset schedule by way of 100% depreciation	4	6

Schedule 7

CAPITAL WORK-IN-PROGRESS

	As at 1.04.2002	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2003
Development of land	256	59	-	8	307
Roads, bridges, culverts & helipads	267	297	9	282	273
Piling and foundation	797	53	850	-	-
Buildings :					
Main plant	2,990	1,320	335	1,660	2,315
Others	977	568	65	1,029	451
Temporary Erection	5	11	1	6	9
Water Supply, drainage and sewerage system	770	226	(17)	907	106
Dams, Spillways weirs, canals, reinforced concrete flumes and siphons	-	401	-	-	401
MGR track and signalling system	33	306	6	59	274
Railway siding	959	197	298	769	89
Earth Dam Reservoir	623	201	(53)	877	-
Plant and Machinery :					
On own account	441	583	505	352	167
On supply-cum-erection contract	43,326	26,329	(745)	24,899	45,501
Furniture, fixtures and other office equipment	35	41	(24)	92	8
EDP/WP Machines & SATCOM equipment	9	61	3	41	26
Construction equipment	-	2	2	-	-
Electrical Installations	91	187	(35)	253	60
Communication Equipment	11	43	10	25	19
Capital Expenditure on assets not owned by the company	65	208	(269)	477	65
	<u>51,655</u>	<u>31,093</u>	<u>941</u>	<u>31,736</u>	<u>50,071</u>
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	338	70	14	-	394
Difference in exchange on foreign Loans	(500)	4,487	3,978	-	9
Expenditure towards diversion of forest land	-	782	-	-	782
Pre-Commissioning expenses (net)	300	197	253	-	244
Incidental Expenditure During Construction	245	4,248	-	-	4,493
Less: Allocated to Capital Work-in-Progress	-	4,352	-	-	4,352
	<u>52,038</u>	<u>36,525</u>	<u>5,186</u>	<u>31,736</u>	<u>51,641</u>
Less: Provision for unserviceable CWIP	-	52	(46)	-	98
Total	<u>52,038</u>	<u>36,473</u>	<u>5,232</u>	<u>31,736</u>	<u>51,543</u>
Previous Year	27,896	28,956	1,086	3,728	52,038

Schedule 8
CONSTRUCTION STORES AND ADVANCES

	31.3.2003	31.3.2002
Rs. million		
CONSTRUCTION STORES		
(At cost, as certified by Management)		
Steel *	921	851
Cement *	55	130
Others *	6,094	4,556
	7,070	5,537
Less: Provision for shortages	17	15
	7,053	5,522
ADVANCES FOR CAPITAL EXPENDITURE		
Secured	88	15
Unsecured, considered good		
Covered by bank guarantees	3,783	6,376
Others	1,396	1,599
Considered doubtful	58	40
	5,325	8,030
Less: Provision for bad & doubtful advances	58	40
	5,267	7,990
Total	12,320	13,512
*Includes material in transit, under inspection and with contractors	5,644	4,416

Schedule 9
INVESTMENTS

	No. of Shares/ Bonds	Face value per share/bond (Rs)	31.3.2003	31.3.2002
	Current Year/ (Previous Year)			
TRADE INVESTMENTS (fully paid up, at cost Unquoted unless otherwise stated)				
Equity Shares				
Management and Technology Application (India) Ltd.	-	10	-	-
Less: Provision for diminution in value	(16333)		-	-
			-	#
Utility Powertech Ltd.	1000000 (1000000)	10	10	10
NTPC Alstom Power Services Private Limited	3000000 (3000000)	10	30	30
Power Trading Corporation of India Ltd.	6000000 (6000000)	10	60	60
NTPC-SAIL Power Company Private Limited	58650050 (58650050)	10	587	587
Bhilai Electric Supply Company Private Limited	16600000 (16600000)	10	166	166
			853	853
Equity Shares of subsidiary companies				
Pipavav Power Development Company Limited (PPDCL)	360000 (50000)	10	4	@
NTPC Electric Supply Company Limited (NESCL)	50000	10 @		-
NTPC Vidyut Vyapar Nigam Limited (NVVNL)	50000	10 @		-
NTPC Hydro Limited (NHL)	50000	10 @	1	-
Share application money pending allotment (A)			1	-
			6	-

	No. of Shares/ Bonds	Face value per share/bond (Rs)	31.3.2003	Rs. million 31.3.2002
	Current Year/ (Previous Year)			
Bonds (Quoted)				
13.6% Non-Convertible Redeemable Transmission Corporation of Andhra Pradesh Limited (APTRANSCO) Bonds, Series - I/99, 2006 (B)	28500 (27400)	100000	2,850	2,740
13% Redeemable Non-Convertible Transmission Corporation of Andhra Pradesh Limited (APTRANSCO) Bonds, Series - I/2000, 2007	35000 (35000)	100000	3,500	3,500
12.3% Secured Non convertible Redeemable Andhra Pradesh Power Finance Corporation Limited (APPFCL) Bonds, Series - II/2001, 2008 (C)	41000 (41000)	100000	4,100	4,100
			10,450	10,340
Bonds				
15% Secured Redeemable Non-Convertible Non-Cumulative Grid Corporation of Orissa Limited (GRIDCO) Power Bonds, Series - III/98, 2008	20000 (20000)	100000	2,000	2,000
11.75% Secured Redeemable Non-Convertible Kerala State Electricity Board (KSEB) Bonds, 2007	17000 (17000)	100000	1,700	1,700
12.5% Secured Non convertible Redeemable Western Electricity Supply Company of Orissa Limited (WESCO) Bonds, Series - I/2000, 2007	10300 (10300)	100000	1,030	1,030
12.5% Secured Non convertible Redeemable North Eastern Electricity Supply Company of Orissa Ltd. (NESCO) Bonds, Series - I/2000, 2007	16700 (16700)	100000	1,670	1,670
12.5% Secured Non convertible Redeemable Southern Electricity Supply Company of Orissa Limited (SOUTHCO) Bonds, Series - I/2000, 2007	13000 (13000)	100000	1,300	1,300
12.5% Secured Non convertible Redeemable Grid Corporation of Orissa Limited (GRIDCO) Bonds, Series - I/2000, 2007	11381 (11381)	100000	1,138	1,138
14 % Secured Redeemable Non-convertible Gujarat Electricity Board (GEB) , Series - III/2001, 2008	- (13000)	100000	-	1,300
12.20 % Redeemable, Non-convertible, Non-cumulative Punjab State Electricity Board (PSEB) Bonds, Series 4th (2000-2001), 2008	600 (600)	500000	300	300
13% Unsecured Non-Convertible Non-cumulative Redeemable Haryana Vidyut Prasaran Nigam Limited (HVPNL) Bonds, 2007	2500 (2500)	1000000	2,500	2,500
11 % Regular Interest Government of Uttar Pradesh Bonds, 2010	1 (1)	500000000	500	500
11 % Regular Interest Government of Uttar Pradesh Bonds, 2007	1 (1)	5000000000	5,000	5,000
12.5 % Non convertible & Redeemable Jammu and Kashmir Government Bonds, 2007 (D)	2224 (3400)	1000000	2,224	3,400
11% Redeemable Non-convertible Non-cumulative Haryana Vidyut Prasaran Nigam Limited (HVPNL) Bonds, 2011	1 (1)	3450000000	3,450	3,450
11% Redeemable Non-convertible Gujarat Electricity Board (GEB) Bonds, 2009	- (38000)	100000	-	3,800

	No. of Shares/ Bonds Current Year/ (Previous Year)	Face value per share/bond (Rs)	31.3.2003	Rs. million 31.3.2002
14 % Secured Redeemable Non-convertible Gujarat Electricity Board (GEB) Bonds, 2008	13000 -	100000	1,300	-
15.75% Secured Redeemable Non Convertible Non cumulative Andhra Pradesh State Electricity Board (APSEB) Vidyut Bonds, Series 1/98, 2005 (E)	8500 -	100000	850	-
15% Secured Redeemable Non Convertible Non cumulative Andhra Pradesh State Electricity Board (APSEB) Vidyut Bonds, Series 1/98, 2006 (E)	4031 -	100000	403	-
			25,365	29,088
Shares in Cooperative Societies			β	β
TOTAL			36,674	40,281
Quoted Investments				
Book Value			10,450	6,240
Market Value (F)			7,845	*
Unquoted Investments				
Book Value			26,224	34,041
(A) Since allotted; NTPC Electric Supply Company Limited (NESCL) Rs. 309100/- NTPC Vidyut Vyapar Nigam Limited (NVVNL) Rs.323100/- NTPC Hydro Limited (NHL) Rs.323100/-				
(B) Bonds amounting to Rs.110 million lodged for transfer				
(C) Listed during the year				
(D) Bonds for Rs.3.90 million lodged for split				
(E) Lodged for transfer				
(F) Excluding 13.6% Non Convertible Redeemable APTRANSCO Bonds, Series-I/99, 2006 of Rs2,850 million which have not been traded during the year				
* Not available since not traded during the year				
# At cost Rs. 163,330/-, provision for diminution in value Rs. 152,224/-, written off during the year.				
@ Rs. 5,00,000/-				

B Shares in Co-operative societies held by the Company

			Rs.	Rs.
NTPC Employees Consumers and Thrift Co-operative Society Ltd. Korba	500 (500)	10	5,000	5,000
NTPC Employees Consumers and Thrift Cooperative Society Ltd. RSTPP	250 (250)	10	2,500	2,500
NTPC Employees Consumers Cooperative Society Ltd. Farakka	500 (500)	10	5,000	5,000
NTPC Employees Consumers Cooperative Society Ltd. Vindhyachal	108 (108)	25	2,700	2,700
NTPC Employees Consumers Cooperative Society Ltd. Anta	500 (500)	10	5,000	5,000
NTPC Employees Consumers Cooperative Society Ltd. Kawas	500 (500)	10	5,000	5,000
NTPC Employees Consumers Cooperative Society Ltd. Kaniha	250 (250)	20	5,000	5,000
			30,200	30,200

Schedule 10 INVENTORIES

(Valuation as per Accounting Policy No. 7, As certified by Management)

	31.3.2003	Rs. million 31.3.2002
Components and spares	11,390	12,003
Loose tools	51	58
Coal	3,787	5,531
Fuel Oil	772	853
Naphtha	456	373
Chemicals & consumables	634	810
Others	652	525
Steel Scrap	52	64
	17,794	20,217
Less : Provision for shortages	32	22
Provision for obsolete/ unserviceable items	50	19
	17,712	20,176
Inventories include stores in transit	751	689

Schedule 11 SUNDRY DEBTORS

Outstanding over six months		
Unsecured, considered good	114,333	100,271
Considered doubtful	14,558	11,344
	128,891	111,615
Others		
Unsecured, considered good	10,016	15,057
	138,907	126,672
Less: Provision for bad & doubtful debts	14,558	11,344
	124,349	115,328

Schedule 12 CASH & BANK BALANCES

Cash on hand (includes cheques, drafts, stamps on hand of Rs 870 million , Previous year Rs 3,142 million)	874	3,146
Remittances in transit	738	167
Balance with Reserve Bank of India earmarked for fixed deposits from public	308	282
Balances with scheduled banks		
Current Account	954	1,463
Cash Credit Account	1,512	1,319
Call Deposit Account	-	5,615
Term Deposit Account *	1,009	9
Balances with other banks		
Current Account		
Standard Chartered Bank Nepal Limited, Kathmandu (maximum amount outstanding at any time during the year Rs. 1 million , previous year Rs. 1 million)	-	1
Call Deposit Account		
West Merchant Bank Limited, London (maximum amount outstanding at any time during the year Rs. 52 million , previous year Rs.52 million)	52	46
	5,447	12,048

* **Rs 9 million** (Previous year Rs. 9 million) deposited as security with Government authorities/as per court orders

Schedule 13
OTHER CURRENT ASSETS

	31.3.2003	Rs. million 31.3.2002
Interest accrued on bonds	6,293	3,768
Public deposit account with Government of India	17,360	1,010
Interest accrued thereon	1,087	601
Others	402	132
	25,142	5,511

Schedule 14
LOANS AND ADVANCES

LOANS

Employees (including accrued interest)		
Secured	4,044	3,394
Unsecured, considered good	1,690	1,740
Considered doubtful	1	1
Others		
Unsecured, considered good	9	11

ADVANCES TO SUBSIDIARY COMPANIES

Unsecured, considered good	61	63
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ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED

Government of India (for transfer of transmission systems)		
Unsecured, considered good	1,266	1,430
Contractors & suppliers, including material issued on loan		
Unsecured, considered good	315	270
Considered doubtful	2	4
Employees (including imprest)		
Unsecured, considered good	59	61
Considered doubtful	1	1
Claims recoverable		
Unsecured, considered good	4,676	1,611
Considered doubtful	47	52
Others		
Unsecured, considered good	953	846
Considered doubtful	2	2

Less: Provision for bad and doubtful loans, advances and claims

	13,126	9,486
	53	60
	13,073	9,426
Deposits with customs, port trust and other authorities (#)	161	167
Advance tax deposit & tax deducted at source	16,902	14,572
Less: Provision	8,654	9,429
	8,248	5,143
	21,482	14,736
# Sales Tax deposited under protest with sales tax authorities	76	73

Due from Directors & Officers of the company

	Maximum Amount			
	2002 - 03	2001-02		
Directors	0.89	1.08	0.47	0.64
Officers	296.51	233.32	251.92	183.04

Schedule 15
CURRENT LIABILITIES

	31.3.2003	Rs. million 31.3.2002
Sundry Creditors		
For capital expenditure		
Small Scale Industrial Undertakings	1	-
Others	12,071	9,196
For goods and services		
Small Scale Industrial Undertakings	8	11
Others	11,878	12,202
Deposits, retention money from contractors and others	7,954	7,231
Less : Investments held as security	94	168
	<u>31,818</u>	<u>28,472</u>
Advances from customers and others	337	200
Other liabilities	446	1,438
Interest Accrued but not due :		
Government of India	53	910
Foreign currency loans	388	420
Term loans in Indian currency	274	247
Bonds	799	125
Fixed deposits from public	87	69
	<u>34,202</u>	<u>31,881</u>

Schedule 16
PROVISIONS

Proposed dividend	3,080	7,079
Tax on proposed dividend	395	-
Retirement benefits	2,419	1,634
Tariff adjustment	3,926	6,450
Interest/ Interest differential on bonds	1,702	1,049
Others	126	53
	<u>11,648</u>	<u>16,265</u>

Schedule 17
MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Survey and investigation of new projects		
Balance as per last Balance Sheet	72	90
Additions	25	29
Less: Deductions / Adjustments	10	47
	<u>87</u>	<u>72</u>

Schedule 18
CONTINGENT LIABILITIES

	Rs. million	
	31.3.2003	31.3.2002
Claims against the Company not acknowledged as debts in respect of:		
Capital Works	5,163	3,968
Land compensation cases	9,924	5,593
Others	3,828	3,309
Disputed Sales Tax demand	318	263
Letters of Credit other than for capital expenditure	1,205	1,030
Others	45	40
	<u>20,483</u>	<u>14,203</u>

Schedule 19
SALES

	Current Year	Previous Year
Energy Sales (including Electricity Duty)	191,636	178,654
Less: Electricity Duty	1,346	957
Less : Advance against Depreciation	271	-
	<u>190,019</u>	<u>177,697</u>
Energy internally consumed	187	171
Consultancy, project management and supervision fees (including turnkey construction project)	269	285
	<u>190,475</u>	<u>178,153</u>

Schedule 20
PROVISIONS WRITTEN BACK

Doubtful debts	926	62
Doubtful claims and advances	10	6
Doubtful construction advances	16	14
Adjustment in Tariff	2,524	-
Interest/ Interest difference on Bonds	490	-
Shortages in construction stores	4	1
Shortages in stores	15	21
Others	3	3
	<u>3,988</u>	<u>107</u>

Schedule 21
OTHER INCOME

	Rs. million	
	Current Year	Previous Year
Dividend from Investments (Gross) (Tax deducted at source Rs. 4 million , Previous year NIL)	36	57
Interest (Gross) (Tax deducted at source Rs. 256 million , Previous year Rs. 231million)		
Trade Investments - Bonds	3,460	4,841
Public Deposit Account with Government of India	1,087	601
Indian banks	157	26
Foreign banks	2	2
Employees' loans	306	273
Others	172	39
Interest on Income Tax refunds	387	279
Less: Amount refundable to customers (Including Rs. 156 Million for previous year)	360	-
	27	279
Surcharge on late payment from customers	5	109
Hire charges for equipment	6	6
Profit on sale of fixed assets	147	7
Miscellaneous income	893	530
	6,298	6,770
Less: Adjustment for surcharge on late payment from customers	2,176	-
	4,122	6,770
Less: Income transferred to incidental expenditure during construction Schedule 27 (E)	86	45
	4,036	6,725

Schedule 22
EMPLOYEES' REMUNERATION AND BENEFITS

Employees' remuneration and benefits		
Salaries, wages, bonus, allowances & benefits	6,410	6,161
Contribution to provident and other funds	1,180	1,334
Welfare expenses	1,352	1,359
	8,942	8,854
Less: Transferred to incidental expenditure during construction - Schedule 27 (A)	729	818
	8,213	8,036

Schedule 23
GENERATION, ADMINISTRATION & OTHER EXPENSES

	Rs. million	
	Current Year	Previous Year
Power charges	334	325
Less: Recovered from contractors/employees	49	55
Water charges	285	270
Stores consumed	747	1,568
Rent	165	194
Repairs & Maintenance	58	41
Buildings	507	520
Plant & Machinery		
Power station	5,358	5,529
Construction equipment	23	17
	5,381	5,546
Others	229	214
Insurance	677	659
Rates and taxes	92	72
Water Cess & Environment Protection Cess	62	58
Training & Recruitment expenses	165	134
Less: Fees for training and application	6	2
	159	132
Communication expenses	143	170
Travelling Expenses	632	594
Tender expenses	45	38
Less: Receipt from sale of tenders	5	4
	40	34
Remuneration to Auditors		
Audit fee	3	3
Tax audit fee	1	1
In other capacity	2	1
Out of pocket expenses	4	3
	10	8
Advertisement and publicity	54	49
Security expenses	776	731
Entertainment expenses	11	10
Expenses for guest house	47	42
Less: Receipt from guest house	7	6
	40	36
Education expenses	113	108
Brokerage & commission	2	1
Donations	1	1
Research & development expenses	46	47
Community development and welfare expenses	55	92
Ash utilisation & marketing expenses	33	28
Less: Sale of ash products	1	1
	32	27
Books and periodicals	31	24
Professional charges and consultancy fees	92	50
Legal Expenses	31	70
EDP hire and other charges	86	73
Printing and stationery	74	77
Miscellaneous expenses	505	496
Stores written off	3	4
Claims/Advances written off	3	2
Survey & Investigation expenses written off	8	-
Loss on disposal/write-off of fixed assets	77	35
	11,227	12,013
Less: Expenses transferred to incidental expenditure during construction - Schedule 27 (B)	358	373
	10,869	11,640
Stores consumption included in repairs and maintenance	3,515	3,650

Schedule 24 PROVISIONS

	Rs. million	
	Current Year	Previous Year
Doubtful debts	4,140	699
Doubtful advances and claims	3	11
Doubtful advances for construction	34	7
Interest/Interest difference on Bonds	1,143	1,048
Shortage in stores	25	16
Obsolescence in stores	33	5
Shortage in construction stores	6	2
Unserviceable CWIP	52	46
Others	119	2
	5,555	1,836

Schedule 25 INTEREST AND FINANCE CHARGES

Interest on :

Bonds	2,265	602
Loans from Government of India	602	3,695
Foreign Currency Term Loans	2,070	2,074
Rupee Term loans	3,580	2,282
Public deposits	398	236
Others	88	68
	9,003	8,957

Finance Charges :

Bonds servicing & public deposit expenses	47	24
Guarantee Commission	400	298
Management/Arrangers' fee	-	27
Rebate to customers	3,557	2,584
Reimbursement of L.C.charges on Sales Realisation	37	68
Bank Charges	8	10
Bond Issue Expenses	6	9
Exchange differences (Net)	13	27
Others	6	137
	4,074	3,184

Less: Adjustment due to waiver of Guarantee Commission by Govt. of India

	-	1,731
	4,074	1,453

Less: Interest and Finance charges capitalised by transfer to incidental expenditure during construction Schedule 27 (D)

	13,077	10,410
	3,161	1,733
	9,916	8,677

Schedule 26
PRIOR PERIOD INCOME/EXPENDITURE (NET)

	Rs. million	
	Current Year	Previous Year
INCOME		
Sales	69	-
Others	3	(38)
	<u>72</u>	<u>(38)</u>
EXPENDITURE		
Salary, wages, bonus, allowances & benefits	7	3
Repairs and Maintenance	(15)	23
Depreciation	271	(21)
Interest	418	1
Guarantee Commission	-	(169)
Rates & Taxes	7	-
Power Charges	1	-
Rent	6	-
Others	201	1
	<u>896</u>	<u>(162)</u>
	<u>824</u>	<u>(124)</u>
Less: Incidental expenditure during construction - Schedule 27 (F)	21	(125)
	<u>803</u>	<u>1</u>

Schedule 27
INCIDENTAL EXPENDITURE DURING CONSTRUCTION

A. Employees remuneration and other benefits

Salaries, wages, allowances and benefits	554	579
Contribution to provident and other funds	91	152
Welfare expenses	84	87
Total (A)	<u>729</u>	<u>818</u>

B. Other Expenses

Power	49	71
Less: Recovered from contractors	<u>3</u>	<u>1</u>
	46	70
Rent	9	5
Repairs & maintenance		
Buildings	20	24
Construction equipment	5	-
Others	<u>17</u>	<u>7</u>
	42	31
Insurance	4	2
Rates and taxes	14	15
Communication expenses	18	21
Travelling expenses	72	71
Tender expenses	9	9
Remuneration to auditors	1	1
Advertisement and publicity	10	9
Security expenses	31	33

Schedule 27
INCIDENTAL EXPENDITURE DURING CONSTRUCTION

	Rs. million	
	Current Year	Previous Year
Entertainment expenses	2	3
Guest house expenses	3	3
Education expenses	1	1
Books and periodicals	3	2
Community development expenses	4	3
Professional charges and consultancy fee	10	5
Legal expenses	3	7
EDP Hire and other charges	8	7
Printing and stationery	7	10
Miscellaneous expenses	61	65
Total (B)	358	373
Depreciation (C)	65	49
TOTAL (A+B+C)	1,152	1,240
D. Interest and Finance Charges Capitalised		
Interest on:		
Bonds	404	258
Foreign Currency Term Loans	256	238
Rupee Term loans	2,370	1,325
Finance Charges:		
Guarantee Commission	123	203
Others	8	(58)
Less: Adjustment due to waiver of Guarantee Commission by Govt. of India	-	233
Total (D)	3,161	1,733
E. Less: Other Income		
Interest from		
Employees	22	11
Others	15	21
Hire Charges	2	2
Miscellaneous income	47	11
Total (E)	86	45
Prior Period Adjustment (F)	21	(125)
GRAND TOTAL (A+B+C+D-E+F)	4,248	2,803

Schedule 28

NOTES ON ACCOUNTS

1. a) The conveyancing of the title to **10140 acres** of freehold land of value **Rs. 2923.63 Million** (Previous Year 7332 acres, value Rs 967.57 Million) and execution of lease agreements for **6375 acres** of value **Rs. 771.53 Million** (Previous Year 6297 acres, value Rs. 654.60 Million) in favour of the Company are awaiting completion of legal formalities.
- b) The value of land shown in the books does not include cost of **1372 acres** (Previous year 1148 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
- c) The cost of freehold land includes adjustments during the year due to:
 - i) Revision in liabilities towards compensation for land based on the orders of courts/other statutory authorities wherever applicable; and
 - ii) Interest on the compensation for land payable for the period after commissioning of the first unit of the related stage which is charged to revenue.
- d) Claims for enhancement of compensation for land which are pending for decisions of the courts, are disclosed as contingent liabilities.
2. a) Balances shown under debtors, advances, creditors and material lying with contractors/ fabricators and material issued on loan in so far as these have not been since realised/ discharged or adjusted are subject to confirmation/ reconciliation and consequential adjustment, if any.
- b) In the opinion of the management, the value of current assets, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
3. a) Central Electricity Regulatory Commission (CERC) constituted under Electricity Regulatory Commission Act 1998, have issued orders in December 2000 with respect to the tariff norms, principles and Availability Based Tariff (ABT). The company filed an appeal against the orders of CERC before the Delhi High Court. Pending disposal of the appeal, CERC have notified, by regulations, the terms and conditions for determination of tariff, effective from 1st April 2001. Further, CERC have directed by notifications that the billing of sales shall continue to be done on the same basis as on 31st March, 2001, subject to adjustment on final determination of tariff by the Commission. Availability Based Tariff was implemented in Western, Northern and Southern region w.e.f 1st July, 2002, 1st December, 2002 and 1st January, 2003 respectively covering Singrauli, Korba, Ramagundam, Vindhyachal- Stage I&II, Rihand, Unchahar-I, Dadri (Thermal), Anta, Auraiya, Kawas, Gandhar, and Dadri (Gas). Billing in respect of these stations prior to the date of implementation of ABT was done on the same basis as on 31st March 2001 and from the respective dates of implementation of ABT, as per principles & methodology of ABT. Stations not covered under ABT during the year are Farakka, Kahalgaon, Talcher Super, Kayamkulam and Faridabad and billing for these stations was done on the same basis as on 31st March 2001. Since the billing so done is subject to adjustment with effect from 1st April 2001, sales have been provisionally recognized on the basis of tariff worked out as per CERC Regulations, 2001, pending disposal of the appeal and the final determination of the tariff by CERC. Billing thus done in case of above stations is **Rs 188143.80 Million** and the sales recognised is **Rs. 175082.60 Million**.
- b) In case of Unchahar station Stage-II, with the implementation of ABT in Northern Region w.e.f 1st December 2002, CERC by their order dated 23rd January 2003 determined a provisional two part tariff for billing superceding their earlier order of provisional single-part tariff. Accordingly billing has been done for **Rs 5879.80 Million** during the year. Since these provisional tariffs are subject to retrospective adjustment on final determination of tariff by CERC, sales have been adjusted by **Rs 1474.00 Million** including Rs 470.80 Million for previous year, based on the latest order of CERC.
- c) Sales include **Rs. 225.30 Million** pertaining to previous years based on the tariff orders issued by the CERC during the year. Provision for tariff adjustment of **Rs.2523.53 Million** has been written back consequent upon issuance of tariff orders by the CERC.
- d) Supplementary bills for revision of tariff for Foreign Exchange Rate Variation and additional capital expenditure are accounted for in the year the revision of tariff is notified by CERC.

4. The Company has been providing for depreciation u/s 75 A of Electricity (Supply) Act 1948 following the rates notified by Government of India u/s 43 A (2) ibid upto the year 2000-01. With effect from 1st April 2001, CERC by Regulations notified the rates of depreciation, as section 43A (2) has been omitted by notification of the Government of India u/s 51 of the Electricity Regulatory Commissions Act, 1998. The Company has filed an appeal before the Delhi High Court against the CERC orders. Pending disposal of the appeal, depreciation for the year is provided u/s 75A of the Electricity (Supply) Act, 1948 at rates notified under CERC Regulations.
5. In accordance with the Uttar Pradesh Electricity Reforms (Transfer of Tanda Generation Undertaking) Scheme 2000, the assets of Tanda Power Station (440MW) of UP State Electricity Board (UPSEB) acquired for a total consideration of Rs.10000 Million were handed over to the Company free from all encumbrances. However, the charge created by UPSEB in favour of Life Insurance Corporation of India (LIC) before the assets were taken over is still to be vacated by LIC. CERC tariff orders for Tanda TPS issued during the year consider the capital cost of the station at Rs.6070 Million. Accordingly, in terms of the Power Purchase Agreement with the Uttar Pradesh Power Corporation Ltd.(UPPCL), the amount of Rs.3930 Million has been accounted as recoverable from UPPCL with corresponding adjustment in the cost of fixed assets. The cost of fixed assets has been adjusted as per report of independent valuer and depreciated in terms of accounting policy no. 8.2.d.
6. Under the Government of India Scheme for one time settlement of the dues of State Electricity Boards (SEBs) (the Scheme), 8.5% tax free bonds of the State Governments are to be issued to NTPC by the Reserve Bank of India for the amount of outstanding dues as on 30th September, 2001 and the late payment surcharge agreed to be securitised. Under the scheme there are also certain incentives payable to SEBs if the conditions thereto are complied with. In accordance with the Scheme, Tripartite Agreements for issuance of bonds with retrospective effect from 1st October 2001 have been signed during the year by the Government of India, Reserve Bank of India and Governments of 24 states. The bonds have not yet been issued as the State Governments are still to issue relevant notifications. The impact of the Scheme on the accounts of the Company will be ascertained and accounted for on issue of bonds of the respective State Governments, as the aforesaid surcharge, incentive and the interest on the bonds are interrelated. Further, the bonds issued by SEBs after 1st March, 1998 and outstanding as on 30th September, 2001 (existing bonds) are also eligible for conversion into 8.5% tax free bonds under the Scheme. The existing bonds carry a higher coupon rate and continue to be legally valid till withdrawn/replaced by agreement. Revenue has thus been recognized as per the coupon rate of the existing bonds. However, a provision of **Rs. 1143.16 Million** (Previous year Rs. 744.79 Million) has been made during the year towards interest differential on the said bonds agreed for conversion.
7. In 2000-01 the Company received 11% Gujarat Electricity Board(GEB) bonds of the nominal value of Rs.3800 Million and 14% GEB bonds of the nominal value of Rs.1300 Million in settlement of outstanding principal amount of Rs.4100 Million and Surcharge of Rs.1000 Million. Further, the Company received 12.5% Jammu & Kashmir Government Bonds of the nominal value of Rs. 1176 Million against surcharge in 2000-01. These bonds were returned to the respective issuers during the year, such return deemed to be effective from the date of issue of bonds.
8. The Company has provided **Rs.2806.70 Million** (Previous year Rs. 1681.60 Million) for amounts reimbursable to Government of India (GOI) in terms of Public Notice No. 38 dt. 5th November, 1999 and Public Notice No. 42 dated 10th October, 2002 towards cash equivalent of the relevant deemed export benefits paid by GOI to the contractors for Talcher Super Thermal Power Project Stage-II, based on the details provided by the contractors. The GOI is yet to certify the aforesaid amount to be reimbursed by the Company and to furnish the procedural details to deposit the amount. Pending receipt of such certification and details from the GOI, no interest has been provided on the amounts to be reimbursed since there is no stipulation for payment of interest in the Public Notices cited above.
9. The pre-commissioning expenses during the year amounting to **Rs.2325.24 Million** (Previous Year Rs305.36 Million) have been included in Fixed Assets/Capital work-in-progress after adjustment of pre-commissioning sales of **Rs. 2128.61 Million** (Previous Year Rs 5.22 Million) during the corresponding period, resulting in a net pre-commissioning expenditure of **Rs. 196.63 Million** (Previous Year Rs.300.14 Million).

10. The impact on the accounts for the year due to:

	Rs. Million
	Impact on Profit for the year
i) Interest referred in note. 1.c (including Rs. 402.72 Million as Prior Period Adjustment)	(481.11)
ii) Additional items of machinery spares identified during the year in terms of Accounting policy 8.2.e	(352.00)
iii) Return of Bonds to the issuers referred in note 7	(2986.72)

11. The effect of foreign exchange fluctuation during the year is as under :

- i The amount of exchange difference (net) debited to the Profit & Loss Account is **Rs. 36.18 Million** (Previous year Rs.4.13 Million).
- ii. The amount of exchange difference adjusted by way of debiting to the carrying amount of fixed assets and capital Work-in-Progress is **Rs. 4549.82 Million** (Previous year Rs.264.43 Million).

12. Government grants of Rs. 2 Million received during the year have been credited to capital reserve.

13. Borrowing costs capitalised during the year are **Rs. 3158.83 Million** (Previous Year Rs.1733.38 Million)

14. **Segment Reporting:**

Rs. Million

BUSINESS SEGMENTS						
	Generation		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue :						
Sale of Energy/ Consultancy, Project Management and Supervision fees	190,018.86	177,697.26	269.16	285.31	190,288.02	177,982.57
Internal Consumption of Electricity	187.51	170.63			187.51	170.63
Total	190,206.37	177,867.89	269.16	285.31	190,475.53	178,153.20
Segment Result	42,118.47	39,872.55	46.59	122.71	42,165.06	39,995.26
Unallocated Corporate Interest and Other Income					5,497.24	5,919.47
Unallocated Corporate expenses, interest and finance charges					10,122.35	8,894.64
Current Tax (Net)					1,463.50	2,124.62
Deferred Tax (Net)					0.80	
Extra ordinary items						500.77
Profit after Tax					36,075.65	35,396.24
Other information						
Segment assets	344,849.14	316,687.99	523.33	395.29	345,372.47	317,083.28
Unallocated Corporate and other assets					148,034.33	133,399.80
Total assets	344,849.14	316,687.99	523.33	395.29	493,406.80	450,483.08
Segment liabilities	25,722.41	27,037.96	251.27	206.39	25,973.68	27,244.35
Unallocated Corporate and other liabilities					152,034.50	136,713.93
Total liabilities	25,722.41	27,037.96	251.27	206.39	178,008.18	163,958.28
Depreciation	15,121.27	13,622.32	3.39	3.44	15,124.66	13,625.76
Non-cash expenses other than Depreciation	4294.86	787.92	-	-	4,294.86	787.92
Capital Expenditure	37,682.70	32,877.78	1.47	1.05	37,684.17	32,878.83

- a) **Business Segments**
The Company's principal business is generation and sale of bulk power to SEBs/State utilities. Other business includes providing consultancy, training and management development services.
- b) **Segment Revenue and Expense**
Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as Segment Expenses.
- c) **Segment Assets and Liabilities**
Segment assets include all operating assets comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.
- d) The Company has power stations located within the country and therefore, geographical segments are inapplicable.

15. Related Party Transactions

- a) **Related parties:**
- Joint ventures: Utility Powertech Limited, NTPC Alstom Power Services Private Ltd.
 - Directors: Shri C.P. Jain, B.N. Ojha, A. Palit, K.K. Sinha, H.L. Bajaj, P. Narasimhamulu, T. Sankaralingam, S.L. Kapur
- b) **Summary of the transactions with related parties at a(i) above is as follows:**

Particulars	Transactions		Outstanding Amount	
	Current Year	Previous Year	31.3. 2003	31.3.2002#
Contracts for Works/Services Received by the Company	764.02	583.20	66.81 *	42.96 *
Provided by the Company	6.27	1.25	122.49 **	110.31 **
Contribution towards equity	-	10.20	0.60 *	1.10 *
Deputation of employees	3.66	5.88	1.32 **	40.00
			40.00	2.09
			0.90 *	

* Outstanding amount recoverable

** Outstanding amount payable

Excludes amounts in respect of NTPC SAIL Power Supply Company Ltd., Power Trading Corporation of India Ltd., and Bhilai Electric Supply Company Private Ltd., considered as related parties in previous years, since these companies are State Controlled Enterprises as per AS-18.

- c) Remuneration to whole time Directors including Chairman and Managing Director is disclosed in Note no. 22.
- d) Advances due from whole time Directors including Chairman and Managing Director are disclosed under Schedule 14 - Loans and Advances.

16. Disclosure regarding Leases

- a) **Finance Leases**
During the year the Company has leased certain vehicles and has the option to purchase the vehicles as per terms of the lease agreement. Details in respect of the vehicles taken on lease are as under:

		Rs. Million
		As at 31 st March, 2003
a)	Outstanding balance of minimum lease payments-	
	• Not later than one year	1.01
	• Later than one year and not later than five years	2.86
	Total	3.87
b)	Present value of (a) above-	
	• Not later than one year	0.63
	• Later than one year and not later than five years	2.35
	Total	2.98
c)	Finance Charges	0.89

b) **Operating leases:**

The company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Employees' remuneration and benefits include **Rs. 136.16 Million** (Previous year Rs. 121.80 Million) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are shown as Rent in Schedule 23 – Generation, Administration and other expenses. Miscellaneous income in schedule 21 – Other Income, include **Rs. 32.25 Million** (Previous year Rs.11.56 Million) towards sub-lease payments received/recoverable.

17. a) In compliance of Accounting Standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, which is mandatory to the Company from 1st April, 2002, provision for deferred tax liability as on 1st April, 2002 and for the year ended 31st March, 2003 has been made as under:

	Rs. Million
Deferred Tax Liability as on 1st April, 2002	40,834.20
Less : Deferred Tax Recoverable	40,833.80
Adjustment in General Reserve	0.40
Deffered Tax Liability for the year	3,544.80
Less : Deferred Tax Recoverable	3,544.00
Net Deferred Tax for the year	0.80

- b) The item-wise details of Deferred tax liability (net) are as under:

		Rs. Million
		As at 31st March, 2003
Deferred Tax Liability		
(i) Difference of Book depreciation and Tax depreciation	49,610.40	
(ii) Others	3,878.50	53,488.90
Less: Deferred Tax Assets		
(i) Provisions disallowed for tax purposes	8,581.30	
(ii) Disallowed u/s 43B of the Income Tax Act,1961	528.60	
		9,109.90
Deferred Tax Liability (Net)		44,379.00

18. Provision for taxation includes **Rs. 2,600.60 Million** (Previous year Rs.1,075.31 Million) and Income tax recoverable includes **Rs. 2,762.70 Million** (Previous year Rs.1,107.28 Million) on account of adjustments towards earlier years.

19. **Interests in Joint Ventures:**

Details of Company's interest in joint ventures :

	Name	Proportion of ownership interest as on 31st March	
		2003	2002
i)	Utility Powertech Limited	50%	50%
ii)	NTPC Alstom Power Services Private Limited	50%	50%
iii)	Power Trading Corporation of India Ltd.	8.28%	25%
iv)	NTPC SAIL Power Company Private Limited	50%	50%
v)	Bhilai Electric Supply Company Private Limited	50%	50%

The above joint venture companies are incorporated in India. The Company's share of the assets and liabilities as on 31st March and income and expenses for the year in respect of joint venture entities is given below:

Rs. Million

		31.3.2003	31.3.2002
A)	Assets		
	Long Term Assets	2,208.61	2,448.27
	Current Assets	1,014.84	885.57
	Total	3,223.45	3,333.84
B)	Liabilities		
	Long Term Liability	1,803.88	1,928.66
	Current Liabilities and Provisions	484.01	518.82
	Total	2,287.89	2,447.48
C)	Income	2,434.23	2,034.64
D)	Expenses	2,224.98	1,865.15
E)	Contingent Liabilities	1.88	9.13
F)	Capital Commitments	16.35	15.28

The Company has given surety in favour of bankers of Utility Powertech Ltd. for an amount of **Rs. 24.50 Million** (Previous Year Rs. 24.50 Million) for bank guarantee limits.

20. List of Small Scale Industrial undertaking to whom payment is outstanding for more than 30 days as on 31st March, 2003, to the extent available to the Company, is as under:

M/s Adarsh Engineering Works, Aditya Air Products Pvt. Ltd., AKI Industrial Engineers, Alliance Engineering Co, Amio Engg. Concern, Angel Engg. Co., ARF Engineers Ltd., Arvico Rubber Industries, Aryan Engineering, Aryan Exporters, Ashutosh Castings Ltd., Avlani Engg. Corpn., B.K.Engineering Works, Banglime Industries , Bankim & Co., BDK Process Control (P) Ltd., Bharat Oil Units, Bhavesh Corpn., Bihar Gases, Brilliant Electronic System , C Cube Systems , Cadilac Engineering Works , Cadilac Engineering, Central India Engineers , Chemco Rubber Liners, Chemcoal India, Chempharm Industries (India) , Comet Technocom (P) Ltd., D.K. Enterprises, Dhara Engineering Works , District Rural Devp, Dresser Valve India Pvt. Ltd., Durg Fastners, Dyna Electronics Pvt. Ltd., Elastomeric Engineers, Eldee Mechanical Works, Engineers Enterprises, Friends Cable Industries, Gangotri Turbo, Goa Thermostatic Instruments Pvt Ltd , Gopal Steam Printing Works , H Guru Instruments (S.I) Pvt.Ltd , Hemen Industrial Corpn., Hind Rectifiers Ltd , Hindustan Engg. Works , Hyderabad Castings Ltd., Impex India, Indian Oil Seals & Synthetic Products, Indian Rubber Products, Industrial Instrumentation, Industries Syndicate, Insha Plastic Industries, Invincible Engineering Co., J.S. Lamp Industries, Jeco Industries, Jindal Pipes Ltd., Just Machine Tools , Jyothi Industries , Kalinga Gases Pvt.Ltd, Kalpana Gears (P) Ltd., Kunal Industries, Maa Laxmi Cycle, Makers, Mandeep Minerals, Maruti Techno Rubber (Pvt.) Ltd., Mather & Platt (India) Ltd., Mazda Cables Pvt. Ltd., Mihir Rubber Products, Modern Engg., New Age Industries, Northern Alloys Bhavnagar , Orissa Air Product, OSIC, P.K. Industries, Paitandi Fluorocarbon Seals, Pioneer Gasket, Pioneer Mechanicals, Pneumatic Corp., Polymer Papers Limited, Poweraid (India) Pvt. Ltd., Prabhu Industries, Presidency Rubber Mills, Printo ,Quality Engg., Radiant Cables Pvt Ltd., Rameswar Iron Foundary , Rasyantrik Udyog , Reliance Fire & Safety Eq., R.K. Engg., Rubbertex, S.D. Fine Chemical Ltd., S.K. Industries, Safex Fire Services, Saha & Co., Sap Industries, Seema Printing Press, Shree Hans Alloys Ltd., Shri Vishnu Enterprises, Smap Engineering Pvt. Ltd., Southern Cooling Towers Pvt. Ltd., Sri Ram Press, Switzer Instruments Pvt.,Ltd., Techma Engineering Enterprise, The Coimbatore Combustion, Technofab (India), Toubro Ferguson (I) Pvt. Ltd., Trident Corporation, U.D. Marketing Pvt. Ltd., Unicraft Machinery & Trolley, Vircap Sealingtech Pvt. Ltd., Vishal Structure Fabricators, Vishkarma Engg. Works, Watco Technics (P) Ltd., Welfit Flexibles & Hydrau.

21. Estimated amount of contracts remaining to be executed on capital account and not provided for is **Rs. 61835.62 Million** (Previous year Rs. 60092.14 Million).

22. Managerial Remuneration paid/ payable to Directors

	Current year	Rs. Million Previous year
Salaries & Allowances	6.27	3.91
Contribution to Provident Fund & Other funds including Gratuity & Group Insurance	0.69	0.49
Other benefits	0.51	0.45
Directors' fees	0.08	0.01

In addition to the above remuneration the whole time Directors have been allowed the use of staff car including for private journeys on payment of Rs.780/- per month, as contained in the Ministry of Finance (BPE) Circular No.2 (18)/pc/64 dt.29.11.64, as amended.

23. Licensed and Installed Capacities:
(As certified by Management)

a) Licensed Capacity - Not applicable		.
b) Installed Capacity (MW Commercial units)	20,497	19,497

**24. Quantitative information in respect of
Generation and Sale of Electricity (in MUs):**

a) Pre-commissioning period:			
Generation	2,577	15	
Sales	2,401	6	
b) Commercial period:			
Generation	138,276	133,178	
Sales	129,288	124,519	

25. a) Value of imports calculated on CIF basis (Rs. Million):

i) Capital goods	529.07	187.87
ii) Spare parts	604.11	714.20

b) Expenditure in foreign currency (Rs. Million):

i) Professional and Consultancy fee	43.60	42.84
ii) Interest	2,070.16	2,074.22
iii) Others	13,016.88	307.62

c) Value of Components, Stores and Spare parts consumed (Rs. Million):

	% age	Amount	% age	Amount
i) Imported	0.52	597.94	0.63	673.92
ii) Indigenous (including fuel)	99.48	113,394.20	99.37	107,141.92

d) Earnings in foreign exchange (Rs. Million):

i) Consultancy	1.37	0.20
ii) Interest	1.79	2.00
iii) Others	1.29	0.50

26. Previous year's figures have been regrouped / rearranged wherever necessary.

(A. K. BAJPAIE)
Company Secretary

(P. NARASIMHARAMULU)
Director (Finance)

(C. P. JAIN)
Chairman & Managing Director

For K. K. SONI & CO.
Chartered Accountants

As per our report of even date
For S.K. MITTAL & CO.
Chartered Accountants

For LAKSHMINIWAS & JAIN
Chartered Accountants

(K. K. SONI)
Partner

(S.K. MITTAL)
Partner

(LAXMINIWAS SHARMA)
Partner

For VARDHAMAN & CO.
Chartered Accountants

For B. C. JAIN & CO
Chartered Accountants

(V. BASKARAN)
Partner

(B.C. JAIN)
Partner

Place : New Delhi
Dated: 16th July 2003

Information pursuant to Part IV of Schedule VI of the Companies Act, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

7	9	6	6		1	9	7	5	-	7	6
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 State Code:

5	5
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 Balance-sheet date

3	1	0	3	0	3
---	---	---	---	---	---

II. Capital Raised during the year (Rs. in Thousands).

Public Issue

N	I	L
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 Rights Issue

N	I	L
---	---	---

 Bonus Issue

N	I	L
---	---	---

 Private Placement

N	I	L
---	---	---

III. Position of Mobilisation and Deployment of Funds(Amount in - Rs. Thousands)

Total Liabilities	Total Assets																		
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>4</td><td>7</td><td>5</td><td>5</td><td>6</td><td>5</td><td>4</td><td>5</td></tr></table>	4	4	7	5	5	6	5	4	5	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>4</td><td>7</td><td>5</td><td>5</td><td>6</td><td>5</td><td>4</td><td>5</td></tr></table>	4	4	7	5	5	6	5	4	5
4	4	7	5	5	6	5	4	5											
4	4	7	5	5	6	5	4	5											

Sources of Funds

Paid up Capital <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>7</td><td>8</td><td>1</td><td>2</td><td>5</td><td>4</td><td>9</td><td>4</td></tr></table>		7	8	1	2	5	4	9	4	Reserves & Surplus <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>2</td><td>3</td><td>7</td><td>0</td><td>0</td><td>1</td><td>9</td><td>3</td><td>5</td></tr></table>	2	3	7	0	0	1	9	3	5
	7	8	1	2	5	4	9	4											
2	3	7	0	0	1	9	3	5											
Secured Loans <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>1</td><td>2</td><td>2</td><td>5</td><td>9</td><td>2</td><td>8</td></tr></table>	4	1	2	2	5	9	2	8	Unsecured Loans <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>9</td><td>0</td><td>9</td><td>3</td><td>0</td><td>7</td><td>8</td><td>8</td></tr></table>	9	0	9	3	0	7	8	8		
4	1	2	2	5	9	2	8												
9	0	9	3	0	7	8	8												
Deferred Tax Liability <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td></td><td>1</td><td>2</td><td>0</td><td>0</td></tr></table>					1	2	0	0											
				1	2	0	0												

Application of Funds

Net Fixed Assets <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>9</td><td>8</td><td>6</td><td>4</td><td>9</td><td>8</td><td>4</td><td>8</td></tr></table>	1	9	8	6	4	9	8	4	8	Investments <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>3</td><td>6</td><td>6</td><td>7</td><td>3</td><td>6</td><td>8</td><td>6</td></tr></table>	3	6	6	7	3	6	8	6
1	9	8	6	4	9	8	4	8										
3	6	6	7	3	6	8	6											
Net Current Assets <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>4</td><td>8</td><td>2</td><td>8</td><td>1</td><td>8</td><td>8</td><td>9</td></tr></table>	1	4	8	2	8	1	8	8	9	Misc. Expenditure <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td>8</td><td>7</td><td>6</td><td>0</td><td>6</td></tr></table>				8	7	6	0	6
1	4	8	2	8	1	8	8	9										
			8	7	6	0	6											
Accumulated Losses <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L									
						N	I	L										

IV. Performance of Company (Rs. in Thousands)

Turnover (Including Other Income) <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>9</td><td>8</td><td>4</td><td>9</td><td>9</td><td>6</td><td>3</td><td>0</td></tr></table>	1	9	8	4	9	9	6	3	0	Total Expenditure <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>6</td><td>0</td><td>9</td><td>5</td><td>9</td><td>6</td><td>7</td><td>8</td></tr></table>	1	6	0	9	5	9	6	7	8
1	9	8	4	9	9	6	3	0											
1	6	0	9	5	9	6	7	8											
Profit/Loss before tax <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>+</td><td>3</td><td>7</td><td>5</td><td>3</td><td>9</td><td>9</td><td>5</td><td>2</td></tr></table>	+	3	7	5	3	9	9	5	2	Profit/Loss after tax <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>+</td><td>3</td><td>6</td><td>0</td><td>7</td><td>5</td><td>6</td><td>5</td><td>6</td></tr></table>	+	3	6	0	7	5	6	5	6
+	3	7	5	3	9	9	5	2											
+	3	6	0	7	5	6	5	6											
Earning per share in Rs. <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>4</td><td>.</td><td>6</td><td>2</td></tr></table>		4	.	6	2	Dividend Rate % <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>9</td><td>.</td><td>0</td><td>6</td></tr></table>	9	.	0	6									
	4	.	6	2															
9	.	0	6																

V. Generic Names of Three principal Products/Services of Company (As per monetary terms)

Product Description:	Item Code No.
G E N E R A T I O N O F E L E C T R I C I T Y	N A
C O N S U L T A N C Y S E R V I C E S	N A
M A N A G E M E N T O F P O W E R S T A T I O N S	N A

A.K. Bajpaie
Company Secretary

P. Narasimharamulu
Director (Finance)

C. P. Jain
Chairman & Managing Director